

What are the determinants of the non-reimbursement for SMEs in Central Africa of credits received from financial institutions: case of Cameroon?

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ABSTRACT: *This article aims to determine the factors that are the cause of the non-repayment of credits received from financial institutions by Cameroonian SMEs. This choice is sometimes. This non-repayment is often caused by factors related to the environment and the functioning of SMEs. It aims to analyze and highlight the factors that put Cameroonian SMEs in a situation of inability to repay the receivables received from financial institutions. To achieve this goal, we opted for a mixed approach: Inductive (exploration on the ground) and hypothetico deductive. To do this, we first analyzed the content of the interviews conducted with 15 SME managers and owners and tested data collected from a questionnaire administered face-to-face with 185 Cameroonian SMEs. . We used descriptive analysis and explanatory analysis. Our results show that the tax rate, the mismanagement of managers, poor accounting and unforeseen situations have a significant positive influence on the non-repayment of loans, while the age and size of SMEs exert significant negative influence on the non-repayment of loans by Cameroonian SMEs.*

KEYWORDS: *No refund, Credit, Unpaid, Tax rate, Unplanned situation*

I. INTRODUCTION

One of the major problems facing financial institutions is the failure to repay the debts of their creditors. In the Central African subregion in general, and in Cameroon in particular, financial institutions and MFIs in particular have expanded significantly. According to the statistical survey of COBAC¹ (2008), the Cameroonian microfinance sector occupies a prominent place in the CEMAC² zone. Concentrates 67% of the total number of MFIs, 72% of the total number of wickets, 70% of total client members, 69% of outstanding deposits and 82% of gross outstanding loans. Despite this leadership position in the Central African sub region, the Cameroonian microfinance sector, particularly the microfinance services, suffers from serious dysfunctions (Kobou et al., 2009). The quality of the portfolio of MFIs has deteriorated significantly: doubtful debts rose from CFAF 23.114 billion⁴ to CFAF 35.553 billion over the IP. They present more than a quarter of outstanding loans to customers in December 2008 (MINEFI³, 2011). These bad debts are linked to credit risks due to non-repayment in part or in full of SMEs, customers of financial institutions. This is why there is a high rate of delinquency that can compromise not only the viability but also the sustainability of MFIs. It becomes clear that the viability of financial institutions, as well as the security of savers, depend on the technique of managing outstanding payments.

According to the BEAC the rate of outstanding debts is rising in CEMAC zone especially in Cameroon according to the institution. In the banking sector, the outstanding total outstanding receivables from Cameroon's commercial banks at the end of 2016 was CFAF 489⁴ billion, and the outstanding debt ratio increased by 19.2% between 2015 and the end of 2016. Doubtful debts also increased in Central Africa from CFAF 723.4 billion in 2015 to CFAF 829.9 billion in 2016⁵. In practice, Cameroon leads the sub-region. The longevity of financial institutions depends on its ability to generate the maximum output with the input package at its disposal, and therefore its technical efficiency. Among the outputs of the institution, credit is the main component. However, a financial institution can only grant credit sustainably if its credit portfolio is in perfect health. This concern has led many researchers such as Conning (1997), Hudon and Ouro-Koura (2008), Wamba

¹ Banking Commission of Central Africa

² Economic and Monetary Community of Central Africa.

³ Ministry of Finance

⁴ www.investiraucameroun.com.

⁵ www.investiraucameroun.com.

(2008) and Nzongang and al. (2010) among others to take an interest in the issue. Other numerous empirical studies (Montalieu 2002, Lanha 2002, Mayoukou 2003, Honlonkou et al., 2006) were carried out on the subject in West Africa but very little in Central Africa and more particularly in Cameroon. Vigano (1993) identified five major determinants of default risk: the ability to repay, the willingness to repay, the external economic and environmental conditions, the quality of the information that serves as the basis for decisions to grant repayment credit. Of all these factors identified by Vigano (1993) only the conditions external to financial institutions, that is to say, economic, environmental and management factors related to SMEs interest us in this study. Because it is they who receive the credits. As such, we ask ourselves the following question: "what are the factors that led to the non-repayment of SME receivables?" The main objective of this paper is therefore to determine the factors that are at the origin of the situations the non-repayment of credits received from financial institutions by SMEs in Cameroon. In what follows, it is a question of returning at first, on the concept of unpaid, in a second time to present the theories that are mobilized to justify the existence of non-refunds of credits of SMEs, third to present the field results perform field and fourthly the methodology used and assumptions of the research and finally present and comment on the results obtained before concluding.

The notion of unpaid: The unpaid amount occurs when your customer has not paid his bill on the agreed date. Either you have not received the payment, or your client has sent you a check or a bill that has returned unpaid to you on the grounds of "no funds", or your client has not given you, within the stipulated time, his agreement to Acceptance or payment on a draft issued ... The occurrence of an outstanding payment may be a sign of a deterioration in the cash flow of your client and even possibly be a harbinger of more serious difficulties. You must therefore remain vigilant. It should be noted that the additional payment periods requested by your client may also have an impact on your cash flow. The notion of unpaid is a general term that is used under different aspects of non-repayment of credit. There are, therefore, several types of arrears depending on the age or stage of recovery (Azokly, 2010). A credit is considered unpaid when:

- The amount of one of the due dates is not partially paid on the due date;
- The amount of one of the deadlines is paid late;
- The amount of one of the deadlines is not paid at all.

Typology of outstanding payments according to COBAC: The unpaid as defined above presents a great risk for microfinance institutions depending on the type of case. According to COBAC (2002), three types of receivables are recognized as risky for an MFI in the CEMAC zone: overdue receivables, commitments by dubious signature and bad debts:

Outstanding debts: Fixed assets, overdue debts and doubtful debts are constituted:

- Locked-in receivables are credits due for 45 days but the recovery without being compromised cannot be done immediately.
- Late receivables are credits that could not be paid at the normal due date, but they are also credits that have matured for less than 45 days.
- Doubtful debts are considered to be debts of any kind, even with guarantees that present a risk of non-recovery in whole or in part.
- These receivables include loans with at least one unpaid installment for more than 45 days, ordinary accounts receivable having received no credit movement for more than 45 days and receivables of a contentious nature that required the use of legal proceedings.
- Doubtful commitments by signature: These are off-balance sheet commitments that present a probable or certain risk of total or partial failure of the client during their implementation.
- Bad debts are debts the recovery of which is deemed certain after the exhaustion of all amicable and judicial ways and means, or for any other relevant consideration. They must be written off for the full amount.

II. THEORIES MOBILIZED TO JUSTIFY UNPAID BILLS

In the social sciences, social facts can not be explained without recourse to theory. An examination of the literature on unpaid bills reveals that the authors who worked on this

These themes have generally used agency theory, information asymmetry, adverse selection and moral hazard to explain the behavior of individuals in the face of non-compliance with their commitments in credit repayment situations. In what follows, we will examine these theories in substance.

Theory of the agency: It is a theory applicable to the economic sector designating a method of analysis of the links between the various actors who work in a company.

The theory of the agency originates here in the fact that the company is not an isolated legal entity; it is always in interaction with its various partners. In other words, many people take part in strategic decision-making. Speaking of the decision, the theory of the agency helps to highlight the existing collaborative relationship between shareholders owning capital and employees and the link between the company's executives and financial institutions. In SMEs, the (main) partners can be very numerous to be able to ensure the daily management of the company. For this, they mandate the leaders (agent) to ensure this management and to report to them. This results in a separation between ownership of capital and decision-making power (Brook & al., 2000). Cited by (Ndjeutcheu, 2013). In this relationship, the interests pursued by both parties are sometimes divergent. In fact, shareholders want to minimize the risk to their capital, while managers seek to achieve at all costs the objectives assigned to them to preserve their jobs. With this in mind, they take enormous risks sometimes at the price of shareholder capital.

The divergence of interests between the principal and the agent mentioned above creates agency costs that are of three types:

- The cost of supervision: the majority of SMEs have internal control, which is responsible for verifying compliance with the company's rules and procedures, and for protecting and maintaining their assets. Internal control is under the authority of the Chief Executive Officer but reports directly to the shareholders. It ensures the exact application of applicable OHADA accounting standards by SMEs. It controls all financial transactions between the SME and the partner banks. It is also responsible for ensuring the proper use of the assets of this institution.
- The cost of obligation: it is the cost related to the drafting of the contracts which specify strategic orientations to be followed by the managers and the contractual obligations of the principal. In other words, the contract sets out the contractual obligations of each party.
- The residual cost: it is the cost that occurs when there is a financial loss of shareholders on the one hand and the loss of employment of managers on the other hand. It can also be associated with the cost of terminating the agency's contract.

Information asymmetry : This theory was developed by Akerlof in 1970 in his famous article "The market for lemons: quality uncertainty and the market mechanisms". It highlights the different levels of information available to stakeholders in a particular market. In other words, there is asymmetry of information when the theory of pure and perfect competition based on the assumption of perfect information between the different parties is no longer respected. In this case, each party has information that the other does not have. According to (Varian, 1992), we speak of information asymmetry when an economic agent is better informed than another about its own characteristics and the actions it will undertake, the case here of SMEs and the economic environment. and social in which they evolve. The problem of information asymmetry exists on the one hand between SMEs and the leaders of financial institutions and on the other hand between managers and stakeholders. This problem is reflected in the uncertainty surrounding repayment of receivables from both the executives and the borrowers (Ndjeutcheu, 2013). In the context of the credit market, we note that this situation of non-repayment prevails because it is the SME that is sensible knows exactly what the funds that will be made available will be invested, so she must be able to predict future impacts. He is however the only one to know the risk of failure of his project and its capacity to cover itself of this risk. It can therefore give relevant and meaningful information to the institution that grants credit for a high-risk project which it is the only one to hold the correct information, for the simple purpose of obtaining its credit. Moreover, the lack of reliable information on entrepreneurs and their projects is the main cause of credit rationing. This universal problem is particularly acute in developing countries, where SMEs (microfinance) are virtually part of the informal sector (Lanha, 2002).

III. RESULTS OF FIELD EXPLORATION

Descriptive and explanatory approaches were used to process the data obtained. First, the descriptive approach will allow us to group the data obtained and to identify the trend. Then, following the explanatory approach, we used the content analysis to identify the variables that could explain or be at the origin of the non-repayment of credits by SMEs received from financial institutions. The results of the exploratory analyzes conducted with 15 SME managers and owners allowed us to identify four main factors as being at the origin of the non-repayment of credits. It is about taxation, the mismanagement of the managers and owners of SMEs, poor accounting and unforeseen events. The results are shown in Table 1 below.

Table1: Description of the results of the exploratory study

Factors	Number of times	% Percent
Taxation	15	100%
Management mismanagement	12	80%
Poor accounting	10	66.67%
Unforeseen Events	14	93.33%

Source: from the Authors from the exploratory study

When reading this table, we find that 100% of managers identify taxation as a factor causing and not reimbursing credits received from financial institutions. This first result is similar to that of the INS's RGE (2009), which found that 58.80% of business leaders surveyed said that taxation is an obstacle for the development and competitiveness of companies in Cameroon. Because for them the tax rate in Cameroon is too high to know 33% for the Corporate Tax (IS), 19.25% for VAT (Value Added Tax) and 16.50% for the Tax on the Income of the Furniture Credit (IRCM). 80% of SME managers and owners say that mismanagement is at the root of their inability to repay funding received from financial institutions, 66.67% say poor accounting and 93.33% say that unforeseen events (natural disasters, wars, economic troubles, among others) are causing the inability to repay the credits received from financial institutions. For a better overview and for a generalization, the quantitative study that will follow will teach us more.

IV. METHODOLOGY AND HYPOTHESES OF THE RESEARCH

We will first start by formulating the hypotheses from the results of the exploratory study. These hypotheses will help us to build the econometric model.

The hypotheses: Taxation also falls into the category of the factor classified by some authors as "political costs". Zimmerman (1983), for example, considers tax rates paid as political costs that businesses incur. In addition, changes in tax laws and changes in tax rates will cause variations in after-tax profits not only because of the effect on the current year, but also because of the adjustment required for recognize accumulated temporary differences at the new rate (Ridha Shabou and Boulila Taktak, 2002). When faced with all this, managers are not advised and applied to the management of the company; the consequences of this negligence can affect the ability of the company to honor its commitments. Thus we formulate the following hypotheses.

H1: The high tax rate is the reason for the non-repayment of loans from SMEs contracted with financial institutions.

H2: Mismanagement of SME managers is the cause of the non-repayment of credits received from financial institutions.

According to (Dhaliwal 1980, Watts and Zimmerman 1986 and De Fond and Jambalvo 1994), companies are encouraged to adopt the accounting choices that allow them to free themselves from the financial constraints imposed by debt contracts. Business accounting follows a number of rules. This is to harmonize the presentation of the summary statements, the accounting methods and the terminology used. In this case the company can keep its accounting to achieve the objectives of accounting standardization, and more broadly the accounting organization. In the general framework, the accounting organization should: describe the accounting system and procedures; identify, classify and keep basic documents and supporting documents; complete information capture; perform continuous processing ranging from basic registration to summary reports; comply with the rules governing the operation of the accounts and the preparation of summaries; correct the mistakes. In case these accounting objectives are not respected, the company finds itself in difficulty, which leads us to the following hypothesis:

H3: The poor performance of accounting by SMEs is the cause of the non-repayment of credits received from financial institutions.

H4: The unforeseen situations are at the origin of the non-reimbursement by the SMEs of the credits received from the financial institutions.

Research (Lanha, 2002, Honlonkou et al., 2006) has identified the borrower-related factors that may influence microlending default rates. According to the study by Lanha (2002), it appears that the gender and age of the microenterprise (borrower) explain the risk of default in microfinance in Benin. This allows us to formulate the hypothesis that will allow control our model.

H5: The older the SME, the more it has the opportunity to repay credits received from financial institutions.

H6: The bigger the SME, the more it has the possibility to repay credits received from financial institutions.

The data: We worked with primary data. The mode of primary data collection most developed in quantitative research is the questionnaire we used, which has the advantage for the researcher to confront directly to the people holding the information. At the end of our survey, which focused on Cameroonian SMEs, 185 questionnaires were chosen to be used in our work. The 185 questionnaires selected are the result of surveys conducted in 04 regions of Cameroon as shown in Table 2 below.

Table 2: Presentation of the study sample

Regions	Number of times	Pourcentage %
Central region	50	27,02%
Littoral region	75	40,54%
West region	40	21,62%
Sud region	20	10,81%
Total	185	100%

Source: from the Authors from the counting of the questionnaires

Model: Non-repayment or unpaid under its various measures is the endogenous variable on which the other exogenous variables of our estimates act. Our objective is to determine the factors or variables that explain the non-repayment of credits by SMEs. In total, two types of non-reimbursement measures were taken into account in our study, namely: outstanding receivables and provisions for bad debts. We constructed the econometric model below with reference to the work of Nzongang et al. (2010).

Model: Unpaid = F (FISCA, MGD, MTC, SI)

The complete empirical form of the model is:

$$IMPAIRED = \alpha + \beta_1 FISCA + \beta_2 TAIL + \beta_3 AGE + \gamma_1 MGD + \gamma_2 MTC + \gamma_3 SI + \varepsilon$$

With $i \in [1; 185]$ and refers to companies

Outstanding: characterizes unpaid claims and provisions for bad debts

FISCA: high tax rates

TAI: The size of the SME

AGE: The age of SMEs

MGD: the bad management of the leaders

MTC: the bad performance of the Accounting

SI: Unforeseen Situations

α : constancy

ε : the error term

β_i and γ_i : are coefficients.

Description of the variables

Variable explained

Non-repayment or unpaid SMEs is our main endogenous variable or explained.

- **Non-repayment:** We have defined this component of the dependent variable into two diamonds. It takes the value 0 if the debts were repaid at maturity, therefore no non-repayment situation and 1 if there was at least one default in the repayment of the credit (unpaid).

Explanatory variables

We have four types of variables

- **Taxation:** The tax variable is a nominal variable; it takes the value 0 if the rate is very high, 1 if the rate is high and 2 if it is low.
- **Mismanagement of leaders:** It is measured in two dimensions, 0 if the SME repays the debts and 1 if not.
- **The poor record keeping:** It is measured as follows, 0 for good bookkeeping and 1 for poor bookkeeping.
- **Unforeseen situations:** They correspond to the situations which the SMEs could not have foreseen because of the incapacity of the man to be able to analyze and to treat all the available information and its limited rationality. It is measured using 0 for yes if they are at the origin of the non-reimbursement and 1 if no.

- **Control variables**
- We used two control variables to better determine the influence of the dependent variables in our study. According to Thietart (1999), the inclusion of control variables improves the degree of external validity of the results. Their main function is to better control the variables that can be the cause of non-repayment of credits. One distinguishes a variable of the size of the SME (*TAILL*) measured by the number of the personnel; A second variable is the age of the SME (*AGE*), which is one of the specific criteria for success in meeting commitments such as the repayment of its debts.

Table 3: Operationalization and measures of variables

Variables		Type of variable	Measures	Authors s
Endogenous	Reimbursement name	Binary	It takes: the value 0 if paid debts and 1 if not	Nzongang, et al (2010)
exogenous	Tax rate	Nominal	0 if the rate is very high, 1 if the rate is high and 2 if it is low.	
	Bad management of Leaders	Binaire	0 if the SME repays the debts and 1 if not	
	Bad record keeping	Binary	0 for good bookkeeping (computerized system, use of NICTs) and 1 if not	
	Unforeseen situations	Binary	0 if it is the cause of the non-refund and 1 if not	
	Age	Nominal	The number of years of existence of the company.	Lanha (2002), Mersland et Strom (2009)
	Size	Nominal	The number of personnel working in the company	Ngongang 2010 ; Bensabeur-Slimane Asma 2016;

Source: from the authors

Methods of data processing and analysis: The dependent variable of our search, that is to say the non-refund is of dichotomous type because it can take only two values (0, 1), the probabilities and the proportions of the variable are also between 0 and 1, as well as the term error, which thus follow a discrete law. In this context, simple linear regression is not appropriate because it does not consider maximum or minimum and assumes the normality of error terms (Pampel, 2000). Instead, we used a binary choice model to estimate the probability associated with an event. Specifically, to process our data we used an explanatory analysis and a logistic regression.

V. RESULTS OF THE EXPLANATORY ANALYZES

Chi-square independence tests between non-repayment and taxation: The chi-square test on tax rates allows us to know if there is a significant relationship between the situation of non-repayment of credit by SMEs and tax rates in Cameroonian companies. Table 4 below contains information that will shed light on the nature of the relationship that may exist between this dependent variable and tax rates.

Tableau 4: Chi-Square Independence Tests on Tax Rates

	Value	Ddl	bilatéral Significance
Pearson Chi-Square	0.949	1	0.0630*
Correction for continuity	0.276	1	0.0599
Likelihood ratio	0.962	1	0.0327
Linear Association by Linear	0.922	1	0.0337
Number of valid observations	185		

Source: from the authors

*: Significant at the 10% level

The chi-square independence test through the table above shows that there is a significant relationship at the 10% threshold between tax rates and the non-repayment of credits by SMEs for a degree of freedom equal to 1

and a calculated chi-square value of 0.949. While waiting for the results of the estimation of the parameters we validate the hypothesis H1.

Chi-square independence tests between non-repayment and management mismanagement: The chi-square test on the management mismanagement variable allows us to know if there is a significant relationship between the situation of non-repayment of loans by SMEs and mismanagement of managers in Cameroonian companies. Table 5 below contains information that will shed light on the nature of the relationship that may exist between the dependent variable and mismanagement of leaders.

Table 5: Chi-Square Independence Tests on Management Mismanagement

	Value	Ddl	bilatéral Significance
Pearson Chi-Square	0.794	1	0.0373**
Correction for continuity	0.175	1	0.0676
Likelihood ratio	0.762	1	0.0383
Linear Association by Linear	0.771	1	0.0380
Number of valid observations	185		

Source: from the authors

**** : Significant at the 5% level**

The chi-square independence test in the table above shows that there is a significant relationship at the 5% threshold between mismanagement of managers and the non-repayment of credit by SMEs for a degree of freedom equal to 1 and a calculated chi-square value of 0.794. While waiting for the results of the estimation of the parameters we validate the hypothesis H2.

Chi-square independence tests between non-reimbursement and bad accounting: The chi-square test on the variable poor accounting allows us to know if there is a significant relationship between the situation of non-repayment of credit by SMEs and the poor performance of accounting in the accounts Cameroonian companies. Table 6 below contains information that will shed light on the nature of the relationship that may exist between the dependent variable and the poor record keeping.

Table 6: Chi-Square tests on poor bookkeeping

	Value	Ddl	Bilatéral Significance
Pearson Chi-Square	0.934	1	0.0334**
Correction for continuity	0.069	1	0.793
Likelihood ratio	1.608	1	0.205
Linear Association by Linear	0.908	1	0341
Number of valid observations	185		

Source: from the authors

**** : Significant at the 5% level**

The chi-square independence test through the table above shows that there is a significant relationship at the 5% threshold between poor accounting and non-repayment of credit by SMEs for a freedom equal to 1 and a calculated chi-square value of 0.934. While waiting for the results of the estimation of the parameters we validate the hypothesis H3.

Chi-square independence tests between non-reimbursement and unforeseen situations: The chi-square test on the unforeseen situation allows us to know if there is a significant relationship between the situation of non-repayment of loans by SMEs and unforeseen situations (natural disasters, political and economic troubles, death of the owner of the SME, among others) in the Cameroonian business environment. Table 7 below contains information that will shed light on the nature of the relationship that may exist between the dependent variable and unforeseen situations.

Tableau 7 : Chi-Square Tests on Unplanned Situations

	Value	Ddl	bilatérale Significance
Pearson Chi-Square	0.451	1	0.0502**
Correction for continuity	0.019	1	0.0891
Likelihood ratio	0.421	1	0.00517
Linear Association by Linear	0.438	1	0.0508
Number of valid observations	185		

Source: from the authors

**: Significant at the 5% level

The chi-square independence test in the table above shows that there is a significant relationship at the 5% threshold between unforeseen situations (natural disasters, political and economic troubles, death of the owner of the SME, among others) and the non-repayment of credits by SMEs for a degree of freedom equal to 1 and a calculated chi-square value of 0.451. While waiting for the results of the estimation of the parameters we validate the hypothesis H4.

Chi-square independence tests between non-repayment and the age of the SME: The chi-square test on the age variable allows us to know if there is a significant relationship between the situation of non-repayment of credit by SMEs and the age of Cameroonian companies. Table 7 below contains information that will shed light on the nature of the relationship that may exist between the dependent variable and age.

Table 7 : Chi-square tests on the age of SMEs

	Value	Ddl	Bilatérale Significance
Pearson Chi-Square	1.654	1	0.401
Correction for continuity	0.019	1	0.089
Likelihood ratio	0.421	1	0.057
Linear Association by Linear	0.438	1	0.508
Number of valid observations	185		

Source: from the authors

The chi-square independence test in the table above shows that there is no significant relationship between the age of enterprises and the non-repayment of credit by Cameroonian SMEs to a degree of freedom equal to 1 and a calculated Khidex value of 1.654. This result corroborates the results of the work of Honlonkou et al (2006), which from 900 borrowers in some microfinance institutions in Benin, do not find a significant relationship between gender and age. This can be explained by the fact that the chi-square test does not specify the meaning of the relationship between the variables and does not take into account the interrelations that may exist between the variables. This result allows us to reject Hypothesis H5

Chi-square independence tests between non-repayment and the size of the SME: The chi-square test on the size variable allows us to know if there is a significant relationship between the situation of non-repayment of loans by SMEs and the size of Cameroonian companies. Table 8 below contains information that will shed light on the nature of the relationship that may exist between the dependent variable and size.

Table 8 : Chi-square tests on the size of SMEs

	Value	Ddl	Bilatérale Significance
Pearson Chi-Square	0.655	1	0.0642
Correction for continuity	0.129	1	0.0451
Likelihood ratio	0.601	1	0.0317
Linear Association by Linear	0.384	1	0.328
Number of valid observations	185		

Source: from the authors

The chi-square independence test through the table above shows that there is no significant relationship between the size of enterprises and the non-repayment of credit by Cameroonian SMEs to a degree of freedom equal to 1 and a calculated Khideux value of 0.655. This result can be explained by the fact that the Chi-square test does not specify the meaning of the relationship between the variables and does not take into account the interrelations that may exist between the variables. This result allows us to reject hypothesis H6.

VI. RESULT OF THE MULTI-VARIED EXPLANATORY ANALYSIS

Since the chi-square test does not specify the meaning of the relationship between the variables and does not take into account the interrelations that may exist between the variables, we used logistic regression that seems to fill this gap. This section aims to verify whether there is a significant link between the tax rate, mismanagement of managers, poor accounting, unforeseen situations, age, the size of SMEs and the non-repayment of credit by Cameroonian SMEs. This will allow us to validate or invalidate our research hypotheses. Table 9 below shows the parameter estimation made from the following model.

$$IMPAIRED = \alpha + \beta_1 FISCA + \beta_2 TAIL + \beta_3 AGE + \gamma_1 MGD + \gamma_2 MTC + \gamma_3 SI + \varepsilon$$

Table 9: Estimation of parameters

Table 9 : Estimation des paramètres

	Non-repayment					
	B	E.S.	Wald	Ddl	Sig.	Exp(B)
Tax rate	2.019	1.481	7.211	1	0.0651*	3.010
Size of SME	- 0.721	0.380	3.599	1	0.0018***	0.246
Age of SME	- 0.512	0.589	1.083	1	0.0298**	1.135
Mismanagement of managers	0.235	1.245	4.102	1	0.0000***	2.214
Poor accounting	1.021	0.241	2.254	1	0.021**	0.111
Unforeseen situations	1.024	2.021	5.124	1	0.0641*	1.870
Constant	-2.141	1.213	0.711	1	0.373	0.310
- Nagelkerke R-Square = 0,77 - Cox & Snell R-Square = 0,122 - 2log-Likelihood = 41,811 - Chi-square value= 6,215 - P = 0,0812*						

***: Significant at 1% **: Significant at 5% and *: Significant at 10%
Source: from the authors

When reading this table, we notice that this model reveals, with respect to the variable representing the unspecified factors (constant), a negative and insignificant value. Moreover, the chi-square statistic confirms the specification of the model which is significant at the 10% threshold. There are two significant variables at the 1% threshold, two significant variables at the 5% level and two significant variables at the 10% threshold. Since the data is individual, the pseudo-R² does not need to tend to 1 (100%) to be good. Through this table, we realize that the value of R² of Nagelkerke which is 0.77 it explains respectively 77% of the total variance, that is to say the tax rates, the bad managerial management, bad accounting, unforeseen situations, the age and size of SMEs are 77% at the origin of non-repayment of credits by SMEs.

The tax rate and the non-repayment of credits: A reading of the table above shows that there is a significant and positive relationship at the 10% threshold between the tax rate and the non-repayment of loans by SMEs with a value of B = 2.019. This result confirms the statements made by the leaders of the SMEs that make up our sample and the exploratory study, 100% of which asserted the existence of a relationship between tax rates and the non-repayment of credits by SMEs. It is consistent with the sign provided by the estimation model and means that the probability of not paying off debts increases when SMEs pay taxes in the normal way. This result confirms hypothesis H1.

Management mismanagement and non-repayment of credits: A reading of the table above shows that there is a significant and positive relationship at the 1% level between mismanagement of managers and non-repayment of loans by SMEs with a value of B = 0.235.

This result confirms the statements made by the leaders of the SMEs that make up our sample and the exploratory study, 80% of which asserted the existence of a relationship between mismanagement of managers and the non-repayment of credits by SMEs. It is consistent with the sign provided by the estimation model and means that the probability of not paying off debts increases when SMEs pay taxes in the normal way. This result confirms the hypothesis H2.

Poor performance and non-repayment of credits: A reading of the table above shows that there is a significant and positive relationship at the 5% threshold between poor accounting and non-repayment of loans by SMEs with a value of $B = 1.021$. This result confirms the statements made by the leaders of the SMEs that make up our sample and the exploratory study of which 66.67% affirmed the existence of a relationship between mismanagement of managers and the non-repayment of credits by SMEs. It is consistent with the sign provided by the estimation model and means that the probability of not paying off debts increases when SMEs pay taxes in the normal way. This result confirms hypothesis H3.

Unforeseen situations and non-repayment of credits: From the table above, we observe that there is a significant and positive relationship at the 10% threshold between unforeseen situations (natural disasters, political and economic disturbances, the death of the SME owner, among others) and the non-repayment of credits by SMEs with a value of $B = 1,024$. This result confirms the statements made by the leaders of the SMEs that make up our sample and the exploratory study of which 66.67% affirmed the existence of a relationship between mismanagement of managers and the non-repayment of credits by SMEs. It is consistent with the sign provided by the estimation model and means that the probability of not paying off debts increases when SMEs pay taxes in the normal way. This result confirms the hypothesis H4.

Age, SME size and non-repayment of credits: A reading of this same table, we observe that, the age and size (staff) of the SME have a significant and negative influence on the non-repayment of credits by SMEs at the respective threshold of 5% and 1% with the respective values of $B = -0.512$, and -0.721 which is different from the result obtained by the Chi-square test. This result is contrary to the predictions of the model and means that the probability that age is at the origin of the non-repayment of credits by SMEs is greater when young or new SMEs (months of 05 years) likewise the probability for size to be the cause of the non-repayment of credits by SMEs is greater when it has fewer employees (less than 06 employees). This allows us to validate the hypotheses H5 and H6.

VII. CONCLUSION

In this paper, we were talking about determining the factors that cause or cause the non-repayment of credits by SMEs. The results show that there is a relationship between the non-reimbursement and the independent variables of our econometric model (tax rate, mismanagement of managers, poor accounting, unforeseen situations, age and the size of SMEs). The interpretations of the results of the econometric estimates made it possible to assert the six (06) hypotheses. We estimated the regression model by explanatory variables (the tax rate, management mismanagement, poor accounting, unexpected situations). All these variables exert a significant influence on the non-repayment of loans by Cameroonian SMEs. Control variables the age of the SME measured by the number of years of exercise and the size of the SME measured by the number of employees of the company significantly and negatively influence the non-repayment of credits by the employees. Cameroonian SMEs, and consequently the possibility of repaying loans by SMEs decreases when the SME is over 05 years old and more than 06 employees; The tax rate, mismanagement of managers, poor accounting and unforeseen situations significantly and positively influence the non-repayment of loans in Cameroonian SMEs, and consequently the possibility of repaying loans. These results of the explanatory analysis thus allowed us to validate the hypotheses H1 H2 H3 H4 H5 and H6 and also allow us to assert the tax rate, the mismanagement of the leaders, the poor behavior of the accounts, the unforeseen situations, the age and size of SMEs are at the origin or causes of the non-repayment of credits received from financial institutions by SMEs in Cameroon.

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